

Item 7

Report to Solent Transport

Date: 24 June 2015

Report by: Sue Lapham

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Subject: Solent Transport Budget and Statement of Accounts

1. Summary

1.1 The following decisions are sought:

That the Joint Committee:

- (a) Notes the 2014/15 budget position for revenue and capital.
- (b) Approves the Annual Return of the Statement of Accounts for 2014/15 and accepts Section 1 - Accounting Statements and Section 2 Annual Governance and authorises the Chairman to sign the Annual Return Sections 1 and 2.
- (c) Approves the carry forward from 2014/15 of balances to the 2015/16 budget.
- (d) Approves the 2015/16 revenue budget.

2. Reason

- 2.1 The purpose of this report is to notify the Solent Transport Joint Committee of the final year end position for 2014/15 and seek agreement for the carry forward of underspendings to 2015/16. It also asks the Joint Committee to formally approve the 2014/15 Annual Return attached as Appendix A, as required for audit purposes. The Joint Committee is asked to approve the 2015/16 revenue budget.

3. **Other Options Considered and Rejected**
 - 3.1 Taking no action – rejected as there is a statutory requirement for the Joint Committee to approve the Annual Return.
4. **Conflicts of Interest Declared by the Decision Maker or Other Executive Member Consulted – None.**
5. **Dispensation granted by the Conduct Advisory Panel – None.**
6. **Reason(s) for the Matter being dealt with if Urgent – None.**

Approved by: Date:

**Councillor Jacqui Rayment
Vice Chairman
Solent Transport**

On behalf of

**Councillor Seán D T Woodward
Chairman
Solent Transport**



Agenda Item 7

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Purpose of the Report

The purpose of the report is to notify the Solent Transport Joint Committee of the final year end position for 2014/15 and seek agreement for the carry forward of under spending to 2015/16. It also asks the Joint Committee to approve the draft 2014/15 Statement of Accounts attached as Appendix A. The Joint Committee is asked to approve the 2015/16 revenue budget.

Recommendations

That the Joint Committee:

- (a) Notes the 2014/15 budget position for revenue and capital.
- (b) Approves the Annual Return of the Statement of Accounts for 2014/15 and accepts Section 1 - Accounting Statements and Section 2 Annual Governance and authorises the Chairman to sign the Annual Return Sections 1 and 2.
- (c) Approves the carry forward from 2014/15 of balances to the 2015/16 budget.
- (d) Approves the 2015/16 revenue budget.

Introduction

1. This report summarises the 2014/15 year end position for Solent Transport and proposes carry forward of under spending to 2015/16. The draft 2014/15 Statement of Accounts are attached for approval by the Joint Committee. The report also updates the provisional 2015/16 revenue budget presented to the February 2015 meeting of the Joint Committee.

Revenue Budget and Outturn 2014/15

2. Table 1 below summarises the final revenue outturn for 2014/15 compared to the original budget approved by the Joint Committee at its meeting in June 2014.

Table 1

Budget Heading	Original Budget 2014/15 £'000	Outturn 2014/15 £'000	Variation to budget 2014/15 £'000
Better Bus Area Fund (BBAF)	321	344	23
Local Sustainable Transport Fund (LSTF)	2,491	2,506	15
Staff/Support	170	109	(61)
East West study	80	0	(80)
Marketing	25	21	(4)
Enhancement of Sub Regional Transport Model (SRTM)	69	80	11
Work with external agencies	20	0	(20)
Strategic Investment sites	17	0	(17)
Solent Transport Fund prioritisation	19	0	(19)
LTB refund	0	(16)	(16)
Miscellaneous	4	13	9
Total	3,216	3,057	(159)

3. The final outturn figure of £2,965,000 compares to the forecast outturn of £2,948,000 presented to the Joint Committee in February 2015. Main reasons for the change in variance are:
 - £23,000 overspend on the Better Bus Area Fund, this is offset by a £30,000 underspend in the capital spend of the same area. Approval from the DfT has been sought to offset these and is covered in the Better Bus Area Fund report at this meeting.
 - £15,000 overspend on Local Sustainable Transport Fund, details on the reasons for this are covered within the Local Sustainable Transport Fund Update at this meeting.

- £11,000 overspend on SRTM, this is due to the timing of invoices from the contractor and recovering of those costs which will occur in 2015/16.
- Underspends offsetting these overspends were planned and reported at the February 2015 Joint Committee report seeking approval to carry forward for reallocation in 2015/16.

Capital Budget and Outturn 2014/15

4. Table 2 below summarises the final capital outturn for 2014/15 compared to the original budget approved by the Joint committee at its meeting in June 2014.

Table 2

Budget Heading	Final Budget £'000	Actual Spend £'000	Variation £'000
BBAF	838	808	(30)
LSTF	6,766	6,785	19
Total	7,604	7,593	(11)

5. The grant funding expired at the end of 2014/15. Requests are with the DfT to deal with these variance and details of these and the schemes are covered in separate reports at this meeting.

Annual Return for 2014/15 Statement of Accounts

6. The annual accounts for the Joint committee are summarised in the annual Return, included as Appendix A to this report. The Joint Committee is asked to approve the Return and authorise the Chairman to sign the Annual Return as having been approved by the Joint Committee.

Funding 2015/16

7. Table 3 shows the anticipated revenue funding for 2015/16. A provisional funding statement was approved by the Joint Committee in February 2015 and this has now been updated to reflect variations in the amount brought forward from 2014/15.
8. The revenue funding for 2015/16 is set out in Table 3 with the core partner contributions remaining the same as 2014/15 and as per the provisional figure set out in the February 2014 report.
9. There is no capital funding for 2015/16.

Table 3

Revenue Funding	2015/16 £'000
Core Partner Contributions	190
2014/15 Balance brought forward	216
Total Revenue Funding	406

Revenue Budget 2015/16

10. The Joint Committee approved a provisional revenue budget at the February 2015 meeting, and this has been updated in Table 4 to reflect the changes to funding brought forward as set out above. It is anticipated that additional funding may become available during the course of the year (for example from charges for external use of the Sub-Regional Transport Model) and a revised budget will be brought to the autumn meeting.

Table 4

Budget Heading	2015/16 Budget £'000
Staff/Finance/Audit	152
SRTM Upgrade	165
Solent Go	36
My Journey	28
Marketing	5
General Studies	20
Total	406

11. The 2014/15 Statement of Accounts has identified an overall underspend compared to the original budget set by Joint Committee, the majority of which relates to agreed changes in spend profiles on projects which are to be reallocated in 2015/16. The Joint Committee is asked to approve the carry forward of the underspending to 2015/16 as set out in the report.
12. The report also asks the Joint Committee to approve the partner contributions for 2015/16 and the proposed revenue budgets for 2015/16.
13. The draft Statement of Accounts and Annual Governance return is attached as Appendix A for formal approval by the Joint Committee.

Section 100 D - Local Government Act 1972 - background papers

The following documents disclose facts or matters on which this report, or an important part of it, is based and has been relied upon to a material extent in the preparation of this report.

NB the list excludes:

1. Published works.
2. Documents which disclose exempt or confidential information as defined in the Act.

TITLE

LOCATION

None